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6 **UNITED STATES DISTRICT COURT**
7 **CENTRAL DISTRICT OF CALIFORNIA**
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9
10 STANDARD FABRICS
11 INTERNATIONAL, INC.,

12 Plaintiff,

13 vs.

14 INTERI, INC.; et al.,

15
16 Defendants.

Case No.: 2:15-cv-08164-CBM (KS)

**STIPULATED PROTECTIVE
ORDER**

17
18 1. A. PURPOSES AND LIMITATIONS

19 Discovery in this action is likely to involve production of confidential,
20 proprietary, or private information for which special protection from public disclosure
21 and from use for any purpose other than prosecuting this litigation may be warranted.
22 Accordingly, the parties hereby stipulate to and petition the Court to enter the following
23 Stipulated Protective Order. The parties acknowledge that this Order does not confer
24 blanket protections on all disclosures or responses to discovery and that the protection
25 it affords from public disclosure and use extends only to the limited information or
26 items that are entitled to confidential treatment under the applicable legal principles.
27 The parties further acknowledge, as set forth in Section 12.3, below, that this Stipulated
28 Protective Order does not entitle them to file confidential information under seal; Civil

1 Local Rule 79-5 sets forth the procedures that must be followed and the standards that
2 will be applied when a party seeks permission from the court to file material under seal.

3 B. GOOD CAUSE STATEMENT

4 It is the intent of the parties and the Court that information will not be
5 designated as confidential in this case for tactical reasons, and that nothing shall be
6 designated without a good faith belief that there is good cause why it should not be
7 part of the public record. Examples of confidential information that the parties may
8 seek to protect from unrestricted or unprotected disclosure include:

- 9 (a) Information that is the subject of a contractual non-disclosure or
10 confidentiality agreement or obligation, and/or Protective Order
11 issued in another case;
- 12 (b) The names, or other information tending to reveal the identity of a
13 party's supplier, distributor, or designer;
- 14 (c) Agreements with third-parties, including license agreements,
15 distributor agreements, manufacturing agreements, design
16 agreements, development agreements, supply agreements, sales
17 agreements, or service agreements;
- 18 (d) Research and development information;
- 19 (e) Proprietary engineering or technical information, including
20 product design, manufacturing techniques, processing
21 information, drawings, memoranda and reports;
- 22 (f) Information related to budgets, sales, profits, costs, margins,
23 licensing of technology or designs, product pricing, or other
24 internal financial/accounting information, including non-public
25 information related to financial condition or performance and
26 income or other non-public tax information;
- 27 (g) Information related to internal operations including personnel
28 information;

- 1 (h) Information related to past, current and future product
2 development;
- 3 (i) Information related to past, current and future market analyses and
4 business and marketing development, including plans, strategies,
5 forecasts and competition; and
- 6 (j) Trade secrets (as defined by the jurisdiction in which the
7 information is located).

8 Unrestricted or unprotected disclosure of such confidential technical,
9 commercial or personal information would, in the producing party's opinion, result in
10 prejudice or harm to the producing party by revealing the producing party's
11 competitive confidential information, which has been developed at the expense of the
12 producing party and which represents valuable tangible and intangible assets of that
13 party. Additionally, legitimate privacy interests must be safeguarded. Accordingly,
14 the parties respectfully submit that there is good cause for the entry of this Protective
15 Order.

16 The parties agree, subject to the Court's approval, that the following terms and
17 conditions shall apply to this civil action.

18 2. DEFINITIONS

19 2.1 Action: this pending federal law suit.

20 2.2 Challenging Party: a Party or Non-Party that challenges the designation of
21 information or items under this Order.

22 2.3 "CONFIDENTIAL" Information or Items: information (regardless of how
23 it is generated, stored or maintained) or tangible things that qualify for protection
24 under Federal Rule of Civil Procedure 26(c), and as specified above in the Good
25 Cause Statement.

26 2.4 Counsel: Outside Counsel of Record and House Counsel (as well as their
27 support staff).

28 2.5 Designating Party: a Party or Non-Party that designates information or

1 items that it produces in disclosures or in responses to discovery as
2 “CONFIDENTIAL.”

3 2.6 Disclosure or Discovery Material: all items or information, regardless of the
4 medium or manner in which it is generated, stored, or maintained (including, among
5 other things, testimony, transcripts, and tangible things), that are produced or
6 generated in disclosures or responses to discovery in this matter.

7 2.7 Expert: a person with specialized knowledge or experience in a matter
8 pertinent to the litigation who has been retained by a Party or its counsel to serve as an
9 expert witness or as a consultant in this Action.

10 2.8 House Counsel: attorneys who are employees of a party to this Action.
11 House Counsel does not include Outside Counsel of Record or any other outside
12 counsel.

13 2.9 Non-Party: any natural person, partnership, corporation, association, or
14 other legal entity not named as a Party to this action.

15 2.10 Outside Counsel of Record: attorneys who are not employees of a party to
16 this Action but are retained to represent or advise a party to this Action and have
17 appeared in this Action on behalf of that party or are affiliated with a law firm which
18 has appeared on behalf of that party, and includes support staff.

19 2.11 Party: any party to this Action, including all of its officers, directors,
20 employees, consultants, retained experts, and Outside Counsel of Record (and their
21 support staffs).

22 2.12 Producing Party: a Party or Non-Party that produces Disclosure or
23 Discovery Material in this Action.

24 2.13 Professional Vendors: persons or entities that provide litigation support
25 services (e.g., photocopying, videotaping, translating, preparing exhibits or
26 demonstrations, and organizing, storing, or retrieving data in any form or medium)
27 and their employees and subcontractors.

28 2.14 Protected Material: any Disclosure or Discovery Material that is

1 designated as “CONFIDENTIAL.”

2 2.15 Receiving Party: a Party that receives Disclosure or Discovery Material
3 from a Producing Party.

4 3. SCOPE

5 The protections conferred by this Stipulation and Order cover not only
6 Protected Material (as defined above), but also (1) any information copied or
7 extracted from Protected Material; (2) all copies, excerpts, summaries, or
8 compilations of Protected Material; and (3) any testimony, conversations, or
9 presentations by Parties or their Counsel that might reveal Protected Material.

10 Any use of Protected Material at trial shall be governed by the orders of the
11 trial judge. This Order does not govern the use of Protected Material at trial.

12 4. DURATION

13 Even after final disposition of this litigation, the confidentiality obligations
14 imposed by this Order shall remain in effect until a Designating Party agrees
15 otherwise in writing or a court order otherwise directs. Final disposition shall be
16 deemed to be the later of (1) dismissal of all claims and defenses in this Action, with
17 or without prejudice; and (2) final judgment herein after the completion and
18 exhaustion of all appeals, rehearings, remands, trials, or reviews of this Action,
19 including the time limits for filing any motions or applications for extension of time
20 pursuant to applicable law.

21 5. DESIGNATING PROTECTED MATERIAL

22 5.1 Exercise of Restraint and Care in Designating Material for Protection. Each
23 Party or Non-Party that designates information or items for protection under this
24 Order must take care to limit any such designation to specific material that qualifies
25 under the appropriate standards. The Designating Party must designate for protection
26 only those parts of material, documents, items, or oral or written communications that
27 qualify so that other portions of the material, documents, items, or communications
28 for which protection is not warranted are not swept unjustifiably within the ambit of

1 this Order.

2 Mass, indiscriminate, or routinized designations are prohibited. Designations
3 that are shown to be clearly unjustified or that have been made for an improper
4 purpose (e.g., to unnecessarily encumber the case development process or to impose
5 unnecessary expenses and burdens on other parties) may expose the Designating Party
6 to sanctions.

7 If it comes to a Designating Party's attention that information or items that it
8 designated for protection do not qualify for protection, that Designating Party must
9 promptly notify all other Parties that it is withdrawing the inapplicable designation.

10 5.2 Manner and Timing of Designations. Except as otherwise provided in this
11 Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise stipulated
12 or ordered, Disclosure or Discovery Material that qualifies for protection under this
13 Order must be clearly so designated before the material is disclosed or produced.

14 Designation in conformity with this Order requires:

15 (a) for information in documentary form (e.g., paper or electronic documents,
16 but excluding transcripts of depositions or other pretrial or trial proceedings), that the
17 Producing Party affix at a minimum, the legend "CONFIDENTIAL" (hereinafter
18 "CONFIDENTIAL legend"), to each page that contains protected material. If only a
19 portion or portions of the material on a page qualifies for protection, the Producing
20 Party also must clearly identify the protected portion(s) (e.g., by making appropriate
21 markings in the margins).

22 A Party or Non-Party that makes original documents available for inspection
23 need not designate them for protection until after the inspecting Party has indicated
24 which documents it would like copied and produced. During the inspection and before
25 the designation, all of the material made available for inspection shall be deemed
26 "CONFIDENTIAL." After the inspecting Party has identified the documents it wants
27 copied and produced, the Producing Party must determine which documents, or
28 portions thereof, qualify for protection under this Order. Then, before producing the

1 specified documents, the Producing Party must affix the “CONFIDENTIAL legend”
2 to each page that contains Protected Material. If only a portion or portions of the
3 material on a page qualifies for protection, the Producing Party also must clearly
4 identify the protected portion(s) (e.g., by making appropriate markings in the
5 margins).

6 (b) for testimony given in depositions that the Designating Party identify the
7 Disclosure or Discovery Material on the record, before the close of the deposition all
8 protected testimony.

9 (c) for information produced in some form other than documentary and for any
10 other tangible items, that the Producing Party affix in a prominent place on the
11 exterior of the container or containers in which the information is stored the legend
12 “CONFIDENTIAL.” If only a portion or portions of the information warrants
13 protection, the Producing Party, to the extent practicable, shall identify the protected
14 portion(s).

15 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure
16 to designate qualified information or items does not, standing alone, waive the
17 Designating Party’s right to secure protection under this Order for such material.
18 Upon timely correction of a designation, the Receiving Party must make reasonable
19 efforts to assure that the material is treated in accordance with the provisions of this
20 Order.

21 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

22 6.1 Timing of Challenges. Any Party or Non-Party may challenge a designation
23 of confidentiality at any time that is consistent with the Court’s Scheduling Order.

24 6.2 Meet and Confer. The Challenging Party shall initiate the dispute resolution
25 process under Local Rule 37.1 et seq.

26 6.3 The burden of persuasion in any such challenge proceeding shall be on the
27 Designating Party. Frivolous challenges, and those made for an improper purpose
28 (e.g., to harass or impose unnecessary expenses and burdens on other parties) may

1 expose the Challenging Party to sanctions. Unless the Designating Party has waived
2 or withdrawn the confidentiality designation, all parties shall continue to afford the
3 material in question the level of protection to which it is entitled under the Producing
4 Party's designation until the Court rules on the challenge.

5 7. ACCESS TO AND USE OF PROTECTED MATERIAL

6 7.1 Basic Principles. A Receiving Party may use Protected Material that is
7 disclosed or produced by another Party or by a Non-Party in connection with this
8 Action only for prosecuting, defending, or attempting to settle this Action. Such
9 Protected Material may be disclosed only to the categories of persons and under the
10 conditions described in this Order. When the Action has been terminated, a Receiving
11 Party must comply with the provisions of section 13 below (FINAL DISPOSITION).

12 Protected Material must be stored and maintained by a Receiving Party at a
13 location and in a secure manner that ensures that access is limited to the persons
14 authorized under this Order.

15 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless otherwise
16 ordered by the court or permitted in writing by the Designating Party, a Receiving
17 Party may disclose any information or item designated "CONFIDENTIAL" only to:

18 (a) the Receiving Party's Outside Counsel of Record in this Action, as well as
19 employees of said Outside Counsel of Record to whom it is reasonably necessary to
20 disclose the information for this Action;

21 (b) the officers, directors, and employees (including House Counsel) of the
22 Receiving Party to whom disclosure is reasonably necessary for this Action;

23 (c) Experts (as defined in this Order) of the Receiving Party to whom
24 disclosure is reasonably necessary for this Action and who have signed the
25 "Acknowledgment and Agreement to Be Bound" (Exhibit A);

26 (d) the court and its personnel;

27 (e) court reporters and their staff;

28 (f) professional jury or trial consultants, mock jurors, and Professional Vendors

1 to whom disclosure is reasonably necessary for this Action and who have signed the
2 “Acknowledgment and Agreement to Be Bound” (Exhibit A);

3 (g) the author or recipient of a document containing the information or a
4 custodian or other person who otherwise possessed or knew the information;

5 (h) during their depositions, witnesses ,and attorneys for witnesses, in the
6 Action to whom disclosure is reasonably necessary provided: (1) the deposing party
7 requests that the witness sign the form attached as Exhibit 1 hereto; and (2) they will
8 not be permitted to keep any confidential information unless they sign the
9 “Acknowledgment and Agreement to Be Bound” (Exhibit A), unless otherwise agreed
10 by the Designating Party or ordered by the court. Pages of transcribed deposition
11 testimony or exhibits to depositions that reveal Protected Material may be separately
12 bound by the court reporter and may not be disclosed to anyone except as permitted
13 under this Stipulated Protective Order; and

14 (i) any mediator or settlement officer, and their supporting personnel, mutually
15 agreed upon by any of the parties engaged in settlement discussions.

16 8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED
17 IN OTHER LITIGATION

18 If a Party is served with a subpoena or a court order issued in other litigation
19 that compels disclosure of any information or items designated in this Action as
20 “CONFIDENTIAL,” that Party must:

21 (a) promptly notify in writing the Designating Party. Such notification shall
22 include a copy of the subpoena or court order;

23 (b) promptly notify in writing the party who caused the subpoena or order to
24 issue in the other litigation that some or all of the material covered by the subpoena or
25 order is subject to this Protective Order. Such notification shall include a copy of this
26 Stipulated Protective Order; and

27 (c) cooperate with respect to all reasonable procedures sought to be pursued by
28 the Designating Party whose Protected Material may be affected.

1 If the Designating Party timely seeks a protective order, the Party served with
2 the subpoena or court order shall not produce any information designated in this
3 action as "CONFIDENTIAL" before a determination by the court from which the
4 subpoena or order issued, unless the Party has obtained the Designating Party's
5 permission. The Designating Party shall bear the burden and expense of seeking
6 protection in that court of its confidential material and nothing in these provisions
7 should be construed as authorizing or encouraging a Receiving Party in this Action to
8 disobey a lawful directive from another court.

9 9. A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE
10 PRODUCED IN THIS LITIGATION

11 (a) The terms of this Order are applicable to information produced by a Non-
12 Party in this Action and designated as "CONFIDENTIAL." Such information
13 produced by Non-Parties in connection with this litigation is protected by the
14 remedies and relief provided by this Order. Nothing in these provisions should be
15 construed as prohibiting a Non-Party from seeking additional protections.

16 (b) In the event that a Party is required, by a valid discovery request, to produce
17 a Non-Party's confidential information in its possession, and the Party is subject to an
18 agreement with the Non-Party not to produce the Non-Party's confidential
19 information, then the Party shall:

20 (1) promptly notify in writing the Requesting Party and the Non-Party that
21 some or all of the information requested is subject to a confidentiality agreement with
22 a Non-Party;

23 (2) promptly provide the Non-Party with a copy of the Stipulated Protective
24 Order in this Action, the relevant discovery request(s), and a reasonably specific
25 description of the information requested; and

26 (3) make the information requested available for inspection by the Non-Party, if
27 requested.

28 (c) If the Non-Party fails to seek a protective order from this court within 14

1 days of receiving the notice and accompanying information, the Receiving Party may
2 produce the Non-Party's confidential information responsive to the discovery request.
3 If the Non-Party timely seeks a protective order, the Receiving Party shall not produce
4 any information in its possession or control that is subject to the confidentiality
5 agreement with the Non-Party before a determination by the court. Absent a court
6 order to the contrary, the Non-Party shall bear the burden and expense of seeking
7 protection in this court of its Protected Material.

8 10. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

9 If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed
10 Protected Material to any person or in any circumstance not authorized under this
11 Stipulated Protective Order, the Receiving Party must immediately (a) notify in
12 writing the Designating Party of the unauthorized disclosures, (b) use its best efforts
13 to retrieve all unauthorized copies of the Protected Material, (c) inform the person or
14 persons to whom unauthorized disclosures were made of all the terms of this Order,
15 and (d) request such person or persons to execute the "Acknowledgment and
16 Agreement to Be Bound" that is attached hereto as Exhibit A.

17 11. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE
18 PROTECTED MATERIAL

19 When a Producing Party gives notice to Receiving Parties that certain
20 inadvertently produced material is subject to a claim of privilege or other protection,
21 the obligations of the Receiving Parties are those set forth in Federal Rule of Civil
22 Procedure 26(b)(5)(B). This provision is not intended to modify whatever procedure
23 may be established in an e-discovery order that provides for production without prior
24 privilege review. Pursuant to Federal Rule of Evidence 502(d) and (e), insofar as the
25 parties reach an agreement on the effect of disclosure of a communication or
26 information covered by the attorney-client privilege or work product protection, the
27 parties may incorporate their agreement in the stipulated protective order submitted to
28 the court.

1 12. MISCELLANEOUS

2 12.1 Right to Further Relief. Nothing in this Order abridges the right of any
3 person to seek its modification by the Court in the future.

4 12.2 Right to Assert Other Objections. By stipulating to the entry of this
5 Protective Order no Party waives any right it otherwise would have to object to
6 disclosing or producing any information or item on any ground not addressed in this
7 Stipulated Protective Order. Similarly, no Party waives any right to object on any
8 ground to use in evidence of any of the material covered by this Protective Order.

9 12.3 Filing Protected Material. A Party that seeks to file under seal any
10 Protected Material must comply with Civil Local Rule 79-5. Protected Material may
11 only be filed under seal pursuant to a court order authorizing the sealing of the
12 specific Protected Material at issue. If a Party's request to file Protected Material
13 under seal is denied by the court, then the Receiving Party may file the information in
14 the public record unless otherwise instructed by the court.

15 13. FINAL DISPOSITION

16 After the final disposition of this Action, as defined in paragraph 4, within 60
17 days of a written request by the Designating Party, each Receiving Party must return
18 all Protected Material to the Producing Party or destroy such material. As used in this
19 subdivision, "all Protected Material" includes all copies, abstracts, compilations,
20 summaries, and any other format reproducing or capturing any of the Protected
21 Material. Whether the Protected Material is returned or destroyed, the Receiving Party
22 must submit a written certification to the Producing Party (and, if not the same person
23 or entity, to the Designating Party) by the 60 day deadline that (1) identifies (by
24 category, where appropriate) all the Protected Material that was returned or destroyed
25 and (2) affirms that the Receiving Party has not retained any copies, abstracts,
26 compilations, summaries or any other format reproducing or capturing any of the
27 Protected Material. Notwithstanding this provision, Counsel are entitled to retain an
28 archival copy of all pleadings, motion papers, trial, deposition, and hearing transcripts,

1 legal memoranda, correspondence, deposition and trial exhibits, expert reports,
2 attorney work product, and consultant and expert work product, even if such materials
3 contain Protected Material. Any such archival copies that contain or constitute
4 Protected Material remain subject to this Protective Order as set forth in Section 4
5 (DURATION).

6 14. Any violation of this Order may be punished by any and all appropriate
7 measures including, without limitation, contempt proceedings and/or monetary
8 sanctions.

9 FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.

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11 DATED: November 7, 2016


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13 KAREN L. STEVENSON
14 UNITED STATES MAGISTRATE JUDGE
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EXHIBIT A

ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND

I, _____ [print or type full name], of
_____ [print or type full address], declare under penalty of perjury that
I have read in its entirety and understand the Stipulated Protective Order that was
issued by the United States District Court for the Central District of California on
[date] in the case of _____ [insert formal name of the case and the number and
initials assigned to it by the court]. I agree to comply with and to be bound by all the
terms of this Stipulated Protective Order and I understand and acknowledge that
failure to so comply could expose me to sanctions and punishment in the nature of
contempt. I solemnly promise that I will not disclose in any manner any information
or item that is subject to this Stipulated Protective Order to any person or entity except
in strict compliance with the provisions of this Order. I further agree to submit to the
jurisdiction of the United States District Court for the Central District of California for
the purpose of enforcing the terms of this Stipulated Protective Order, even if such
enforcement proceedings occur after termination of this action. I hereby appoint
_____ [print or type full name] of
_____ [print or type full address and
telephone number] as my California agent for service of process in connection with
this action or any proceedings related to enforcement of this Stipulated Protective
Order.

Date: _____

City and State where sworn and signed: _____

Printed name: _____

Signature: _____